SENATE BILL 5864

State of Washington 54th Legislature 1995 Regular Session

By Senators Haugen, Winsley, Heavey, McCaslin, Sheldon and Hale Read first time 02/10/95. Referred to Committee on Government Operations.

- 1 AN ACT Relating to county public works projects; amending RCW
- 2 36.32.240; adding a new section to chapter 36.32 RCW; and repealing RCW
- 3 36.32.250.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 36.32.240 and 1993 c 198 s 5 are each amended to read 6 as follows:
- 7 In any county the county legislative authority may by resolution
- 8 establish a county purchasing department. In each county which
- 9 exercises this option, the purchasing department shall ((contract on a
- 10 competitive basis for all public works,)) enter into leases of personal
- 11 property on a competitive basis, and purchase all supplies, materials,
- 12 and equipment, on a competitive basis, for all departments of the
- 13 county, as provided in this chapter and chapter 39.04 RCW, except that
- 14 the county purchasing department is not required to make purchases for
- 15 the county hospital, or make purchases that are paid from the county
- 16 road fund or equipment rental and revolving fund.
- 17 <u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 36.32 RCW
- 18 to read as follows:

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1 (1) As used in this section, "public works" has the same definition 2 as in RCW 39.04.010.

3 (2) Except as otherwise specified in this chapter or in chapter 4 36.77 RCW, all counties shall contract on a competitive basis for all public works after bids have been submitted to the county upon 5 specifications therefor. Such specifications shall be in writing and 6 7 shall be filed with the clerk of the county legislative authority for 8 public inspection. An advertisement shall be published in the county 9 official newspaper stating the time and place where bids will be 10 opened, the time after which bids will not be received, the character of the work to be done, the materials and equipment to be furnished, 11 and that specifications therefor may be seen at the office of the clerk 12 13 of the county legislative authority. An advertisement shall also be published in a legal newspaper of general circulation in or as near as 14 possible to that part of the county in which such work is to be done. 15 16 If the county official newspaper is a newspaper of general circulation 17 covering at least forty percent of the residences in that part of the county in which such public works are to be done, then the publication 18 19 of an advertisement of the applicable specifications in the county Such advertisements shall be 20 official newspaper is sufficient. published at least once at least thirteen days prior to the last date 21 upon which bids will be received. The bids shall be in writing, shall 22 23 be filed with the clerk, shall be opened and read in public at the time 24 and place named therefor in the advertisements, and after being opened, 25 shall be filed for public inspection. No bid may be considered for 26 public work unless it is accompanied by a bid deposit in the form of a surety bond, postal money order, cash, cashier's check, or certified 27 check in an amount equal to five percent of the amount of the bid 28 The contract for the public work shall be awarded to the 29 30 lowest responsible bidder. Any or all bids may be rejected for good 31 The county legislative authority shall require from the successful bidder for such public work a contractor's bond in the 32 amount and with the conditions imposed by law. If the bidder to whom 33 34 the contract is awarded fails to enter into the contract and furnish the contractor's bond as required within ten days after notice of the 35 award, exclusive of the day of notice, the amount of the bid deposit 36 37 shall be forfeited to the county and the contract awarded to the next lowest and best bidder. The bid deposit of all unsuccessful bidders 38 39 shall be returned after the contract is awarded and the required

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contractor's bond given by the successful bidder is accepted by the county legislative authority. Immediately after the award is made, the bid quotations obtained shall be recorded and open to public inspection and shall be available by telephone inquiry.

 (3) As limited by subsection (4) of this section, a county may have public works performed by county employees in any annual or biennial budget period equal to a dollar value not exceeding ten percent of the public works construction budget, including any amount in a supplemental public works construction budget, over the budget period.

If a county has public works performed by public employees in any budget period that are in excess of this ten percent limitation, the amount in excess of the permitted amount shall be reduced from the otherwise permitted amount of public works that may be performed by public employees for that county in its next budget period. Twenty percent of the motor vehicle fuel tax distributions to that county shall be withheld if two years after the year in which the excess amount of work occurred, the county has failed to so reduce the amount of public works that it has performed by public employees. The amount withheld shall be distributed to the county when it has demonstrated in its reports to the state auditor that the amount of public works it has performed by public employees has been reduced as required.

Whenever a county has had public works performed in any budget period up to the maximum permitted amount for that budget period, all remaining public works within that budget period shall be done by contract pursuant to public notice and call for competitive bids as specified in subsection (2) of this section.

The state auditor shall report to the state treasurer any county that exceeds this amount and the extent to which the county has or has not reduced the amount of public works it has performed by public employees in subsequent years.

(4) In addition to the percentage limitation provided in subsection (3) of this section, counties containing a population of two hundred ten thousand or more shall not have public employees perform a public works project in excess of fifty thousand dollars if more than a single craft or trade is involved with the public works project, or a public works project in excess of twenty-five thousand dollars if only a single craft or trade is involved with the public works project or the public works project is street signalization or street lighting. In addition to the percentage limitation provided in subsection (3) of

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this section, counties containing a population of one hundred twenty-2 five thousand or more and less than two hundred ten thousand shall not have public employees perform a public works project in excess of 3 4 thirty-five thousand dollars if more than one craft or trade is involved with the public works project, or a public works project in 5 excess of twenty-five thousand dollars if only a single craft or trade 6 is involved with the public works project or the public works project 7 8 is street signalization or street lighting. In addition to the 9 percentage limitation provided in subsection (3) of this section, 10 counties containing a population of less than one hundred twenty-five thousand shall not have public employees perform a public works 11 12 projects in excess of thirty thousand dollars if more than one craft or 13 trade is involved with the public works project, or a public works project in excess of twenty thousand dollars if only a single craft or 14 15 trade is involved with the public works project or the public works project is street signalization or street lighting. A public works 16 project means a complete project. The restrictions in this subsection 17 do not permit the division of the project into units of work or classes 18 19 of work to avoid the restriction on work that may be performed by 20 public employees on a single project.

(5) In addition to the accounting and record-keeping requirements contained in RCW 39.04.070, every county annually shall prepare a report for the state auditor indicating the total public works construction budget and supplemental public works construction budget for that year, the total construction costs of public works performed by public employees for that year, and the amount of public works that is performed by public employees above or below ten percent of the total construction budget. However, if a county budgets on a biennial basis, this annual report shall indicate the amount of public works that is performed by public employees within the current biennial period that is above or below ten percent of the total biennial construction budget.

Each county shall use the form required by RCW 43.09.205 to account and record costs of public works in excess of five thousand dollars that are not let by contract.

36 (6) The cost of a separate public works project shall be the costs 37 of materials, supplies, equipment, and labor on the construction of 38 that project. The value of the public works budget shall be the value 39 of all the separate public works projects within the budget.

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(7) When any emergency requires the immediate execution of a public work, upon the finding of the existence of such emergency by the authority having power to direct such public work to be done and duly 4 entered of record, publication of description and estimate may be made within seven days after the commencement of the work. Within two weeks of the finding that such an emergency existed, the county legislative authority shall adopt a resolution certifying the existence of this emergency situation.

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- 9 (8) In lieu of the procedures of subsections (2), (3), (4), and (6) 10 of this section, a county may use a small works roster process and award contracts for public works projects with an estimated value of 11 one hundred thousand dollars or less as provided in RCW 39.04.155. 12
- 13 Whenever possible, the county shall invite at least one proposal from a minority or woman contractor who shall otherwise qualify under 14 15 this section.
- 16 (9) The allocation of public works projects to be performed by 17 county employees shall not be subject to a collective bargaining 18 agreement.
- 19 (10) This section does not apply to performance-based contracts, as 20 defined in RCW 39.35A.020(3), that are negotiated under chapter 39.35A 21 RCW.
- (11) Nothing in this section prohibits any county from allowing for 22 23 preferential purchase of products made from recycled materials or products that may be recycled or reused. 24
- 25 <u>NEW SECTION.</u> **Sec. 3.** RCW 36.32.250 and 1993 c 198 s 8 & 1991 c 363 s 58 are each repealed. 26

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